

Legislative Committee
Chair: Matias Rosales

Status of Bills Reviewed by the Legislative Committee
May 29, 2018

2018 Master Bill Digest

HB2005: PUBLIC SERVICE CORPORATIONS; PENALTIES (~~MUNICIPAL ECONOMIC DEVELOPMENT; SALE; LEASE~~)

The exclusive remedy or penalty for any alleged or actual violation by a public service corporation or a public service corporation's officer or employee, of any constitutional provision or any Corporation Commission rule based on any constitutional provision specifying or relating to the type of electric generation resources a public service corporation must acquire or use is civil and limited to penalties specified in statute. AS PASSED SENATE.

First sponsor: Rep. Leach
AAR Position:
Support Strike Everything

Last Action: 3/23 signed by governor. Chap. 60, Laws 2018.

HB2010: ELDERLY HOMEOWNERS; CLASS SIX PROPERTY

The list of property classified as class six for property tax purposes is expanded to include real property and improvements to the property that are used as the owner's primary residence, that are owned by an individual who qualifies for property valuation protection under the state Constitution (for which a person must be age 65 or older), and that are valued at full cash value. Other requirements to qualify for this classification are specified. Does not apply to real property and improvements with a full cash value of \$600,000 or more unless the property qualified for valuation protection under the state Constitution as of December 31, 2018.

First sponsor: Rep. Cardenas
AAR Position:
Monitor

Last Action: 1/9 referred to House Ways and Means Committee, Appropriations Committee.

HB2017: STATE LAND DEPARTMENT; CONTINUATION

The statutory life of the State Land Department is extended eight years to July 1, 2026. Retroactive to July 1, 2018. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Mitchell
AAR Position:
Monitor

Last Action: 3/23 signed by governor. Chap. 62, Laws 2018.

HB2047: WORKERS' COMPENSATION; EMPLOYEE DEFINITION; LLCs

For the purpose of workers' compensation statutes, the definition of "employee" is expanded to include a working member of a limited liability company (LLC) or working shareholder of a corporation who owns less than 50 percent of the membership interest in the LLC or beneficial interest in the corporation, and a working member of an LLC or working shareholder of a corporation who owns 50 percent or more of the membership interest in the LLC or beneficial interest in the corporation who is deemed an employee entitled to workers' compensation benefits on written acceptance of an application for coverage by the working member or shareholder at the discretion of the insurance carrier for the LLC or corporation. Establishes a basis for computing wages for premium payments and compensation benefits for working members or working shareholders. Applies to workers' compensation policies issued or renewed on or after July 1, 2019. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Livingston
AAR Position:
Monitor

Last Action: 4/11 signed by governor. Chap. 175, Laws 2018.

HB2052: AUTOMATIC VOTER REGISTRATION; LICENSES; IDS

Beginning January 1, 2019, every person who is applying for a driver license or renewal, including a nonoperating identification license or renewal, and who is otherwise qualified to register to vote must be registered to vote automatically on completion of the license application unless the applicant clearly expresses a decision not to register.

First sponsor: Rep. Clark
AAR Position:
Monitor

Last Action: 1/9 referred to House Government Committee.

HB2056: TPT; DIGITAL PRODUCTS; REMOTE SELLERS

Establishes the digital property classification of transaction privilege taxes (TPT) and imposes TPT of five percent of the tax base on that classification. The digital property classification is

comprised of the business of remotely selling, installing, maintaining, servicing or repairing digital property to locations in Arizona, and the tax base is the gross proceeds of sales or gross income derived by the remote seller from sales of digital property to locations in Arizona. Does not include remote sellers that has gross annual receipts in total remote sales of digital property in the U.S. in the preceding calendar year of less than \$1 million.

First sponsor: Rep. Cardenas

AAR Position:

Monitor

Last Action: 1/24 referred to House Ways and Means Committee.

HB2105: BUILDING CODE MORATORIUM; REPEAL

Repeals the moratorium on new or modified residential or commercial building codes that was in effect from June 30, 2009 to June 30, 2011.

First sponsor: Rep. Leach

AAR Position:

Monitor

Last Action: 3/27 from Senate rules okay.

HB2115: BONDS; BALLOT LANGUAGE; PROCEDURES

The ballot for a school bond is required to conform to the statutory requirements for local government indebtedness, and the requirement for the ballot to contain the phrase "the issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds" is deleted. The County School Superintendent is required to prepare an informational pamphlet, instead of a publicity pamphlet, for school bond elections, and schools and school districts are permitted to use staff, equipment, materials, buildings and other resources to distribute the informational pamphlets instead of being permitted to distribute informational reports on the proposed bond. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Mitchell

AAR Position:

Monitor

Last Action: 3/16 signed by governor. Chap. 11, Laws 2018.

HB2116: LIMITATIONS OF ACTIONS; DEDICATED PROPERTY

Municipalities and counties are prohibited from instituting or maintaining an action or arbitration against a person who develops or develops and sells real property or who completes other construction activities on an improvement to real property that is dedicated to the municipality or county more than eight years after "final completion" (defined) of the improvement to real property if the action or arbitration is based on either a municipal or county code, ordinance or other legal requirement, or a permit that is required as a condition of development. AS PASSED HOUSE.

First sponsor: Rep. Kern
AAR Position:
Monitor

Last Action: 2/27 referred to Senate Judiciary Committee.

HB2145: TPT; SERVICES; TUITION SURCHARGE

Establishes the services classification of transaction privilege taxes and levies a tax of one percent of the tax base on a list of businesses that are not otherwise classified for transaction privilege taxation, including legal and engineering services, real estate services, personal care services, various health and medical services, social services, death care services, management and business support services, repair services, and more. Of the monies collected from the services classification each month, 25 percent must be transferred to the Classroom Site Fund for teacher compensation increases, 25 percent must be transferred to the Financial Aid Trust Fund for financial aid to resident students at state universities, 25 percent must be transferred to the Public Safety Personnel Retirement Fund to pay unfunded accrued liability, and 25 percent must be transferred to the newly established Arizona Higher Education Financial Aid Program Fund. The Commission for Postsecondary Education is required to establish the Arizona Higher Education Financial Aid Program and to develop application and Approval criteria for persons to apply to participate in the Program. The Arizona Board of Regents is required to assess a surcharge of \$300 each year on tuition paid by each nonresident student, and to deposit the monies in the Program Fund. Establishes criteria for a person to qualify for financial aid from the Program Fund. The Commission is required to distribute monies from the Fund beginning in 2023 to cover the full amount of each qualifying student's tuition and fees at the university or community college where the student is enrolled. The Program terminates on July 1, 2028. Due to a potential increase in state revenue, this legislation requires the affirmative vote of at least 2/3 of the members of each house of the Legislature for passage, and becomes effective on signature of the Governor.

First sponsor: Rep. Cardenas
AAR Position:
Monitor

Last Action: 1/16 referred to House Education Committee, Ways and Means Committee.

HB2150: MANUFACTURED HOME SALES; LICENSURE; EXEMPTION

Statutory requirements for housing dealers do not apply to licensed real estate professionals with respect to new manufactured homes if the licensed real estate professional is acting as an agent for a licensed manufactured housing dealer and the dealer is responsible for filing all of the required paperwork and submitting the required fees on the sale of the home. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Weninger
AAR Position:
Support with Lobbying

Last Action: 3/16 signed by governor. Chap. 12, Laws 2018.

HB2165: COUNTY EXCISE TAX FOR TRANSPORTATION

The board of supervisors of any county is permitted to submit to the voters a transportation plan funded by an excise tax. The board is required to present the issue on the ballot as a single question for Approval of both the transportation plan and the tax. If approved by the voters, the county is required to levy and the Department of Revenue is required to collect the tax beginning January 1 or July 1, whichever occurs first after voter Approval, on the same tax base that applies to other excise taxes in the county. The tax must be levied at a rate that, together with any other county transportation excise taxes, will not exceed a total of one percent of the gross proceeds of sales or gross income derived from a business subject to the tax. In its initial submission to the voters, the board of supervisors must either set a termination date for the tax or provide that the tax will be perpetual, subject to termination only by a subsequent countywide vote.

First sponsor: Rep. Campbell
AAR Position:
Monitor to Support

Last Action: 2/7 House Transportation and Infrastructure Committee held.

HB2168: MOBILE HOMES; RECREATIONAL VEHICLES; FUND

Increases the maximum amount of compensation an eligible tenant may receive from the Mobile Home Relocation Fund to \$7,500 for a single-section mobile home, from \$5,000, and to \$12,500 for a multi-section mobile home, from \$10,000. A mobile home, park trailer or park model owner who is required to move due to a change in use of a mobile home or RV park is eligible to collect payment from the Fund for relocation costs to move to a new location this is within a 100-mile radius, increased from a 50-mile radius. The Recreational Vehicle Long-Term Rental Space Act applies to any park model or park trailer if the space is rented by the same tenant for

180 consecutive days, regardless of whether a rental agreement has been executed. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Coleman
AAR Position:
Monitor

Last Action: 3/27 signed by governor. Chap. 79, Laws 2018.

HB2171: SCHOOLS; BONDS; OVERRIDES; FUNDING SOURCES

The information that must be contained in the report on proposed school district budget increases or school bonds (which is mailed to the households in which qualified electors reside within the school district) is expanded to include a statement with the total dollar amount per pupil in revenues that the district received from all funding sources (federal, state and local) for all capital and noncapital expenditures for the most recent available fiscal year.

First sponsor: Rep. Grantham
AAR Position:
Monitor

Last Action: 1/16 referred to House Education Committee.

HB2178: SECRETARY OF STATE; NOTARY PUBLIC

Numerous changes relating to notaries public. The definition of "notarization" is modified to state that the act of notarization verifies only the identity of the signer of a document and not the truthfulness, accuracy or validity of the document. Notarial commissions, duties and acts may be performed electronically, and notaries public are authorized to accept documents signed with an electronic signature. By December 31, 2019, the Secretary of State is required to adopt rules establishing standards for secure and feasible implementation of electronic notarization. Statutes regulating electronic notarization are repealed. Notaries public are required to resign in writing to the Secretary of State, instead of to the Governor. The official seal used by notaries public is required to include the notarial commission number. Session law requires notaries public who were appointed before the effective date of this legislation to replace their official seal on reappointment with an official seal that is imprinted with the notarial commission number. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Coleman
AAR Position:
Monitor

Last Action: 3/16 signed by governor. Chap. 13, Laws 2018.

HB2184: SECRETARY OF STATE; RULEMAKING

Various changes to statutes relating to the Secretary of State. Agencies are required to prepare a notice of proposed rulemaking to make, amend, renumber or repeal a rule, and must follow formatting guidelines prescribed by the Secretary of State. Adds a chapter to the Administrative Procedures Act governing rulemaking exemptions. The Secretary of State is required to prescribe a uniform numbering system and have reasonable discretion to determine the form and style for exempt rules filed with and published by the Secretary of State's Office. Exempt rules must be codified and published in the Arizona Administrative Code only as prescribed in statute or session law. The Secretary of State is required to electronically publish a Code supplement at least once every quarter, and to offer an email service for persons to receive notification when a quarterly supplement is published. Repeals the requirement for the Secretary of State to biennially publish and distribute an official state manual known as the Arizona Blue Book, and transfers any unexpended and unencumbered monies remaining in the Arizona Blue Book Revolving Fund to the general fund on the effective date of this legislation. The Secretary of State is authorized to certify under the great seal of the state of Arizona any publicly recorded document filed with the Department of State. Also, counties are authorized to terminate a notice of proposed rule or ordinance making at any time and publish the notice of termination on the county's website. Makes various changes to the process of county rule or ordinance making. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Coleman
AAR Position:
Monitor

Last Action: 4/11 signed by governor. Chap. 178, Laws 2018.

HB2185: SCHOOL DISTRICTS; TAX LEVY; CALCULATION

Makes changes to the calculation used to determine the rate that the county board of supervisors will levy as property taxes for each school district. Modifies the information the county school superintendent must include in the estimate of the amount of monies required by each school district for the next school year based on the district's proposed budget. Repeals statute levying an annual tax for school districts that determine to establish a high school. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Norgaard
AAR Position:
Monitor

Last Action: 3/23 signed by governor. Chap. 68, Laws 2018.

HB2198: PROPERTY TAX; DELINQUENT TAX LIST

The notice of sale of real property on which the taxes for prior tax years are unpaid and delinquent is required to include the property account number, instead of the legal description of the property. The county is required to make available to the public on a county website the description of the property associated with a parcel number. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Shope

AAR Position:

Monitor

Last Action: 4/3 signed by governor. Chap. 114, Laws 2018.

HB2210: PUBLIC LANDS; OWNERSHIP; CONTROL; LITIGATION

By September 17, 2018, the Attorney General is required to analyze at least a specified list of legal theories that the state may pursue to attempt to gain ownership or control of the public lands within Arizona. By October 1, 2018, the Attorney General is required to submit a report of the analysis to the Legislature. On or after November 1, 2018, and after consulting with the Legislature, the Attorney General is authorized to commence an action to attempt to gain ownership or control of the public lands within Arizona. Self-repeals October 1, 2026.

First sponsor: Rep. Finchem

AAR Position:

Monitor

Last Action: 1/25 from House Land, Agriculture, and Rural Affairs Committee do pass.

HB2214: WQARF; APPROPRIATIONS COMMITTEE PRIATION

Makes a supplemental Appropriations of \$15 million from the general fund in FY2018-19 to the Water Quality Assurance Revolving Fund.

First sponsor: Rep. Gabaldon

AAR Position:

Monitor

Last Action: 1/17 referred to House Appropriations Committee.

HB2235: DENTAL THERAPY; LICENSURE (~~MUNICIPAL IMPROVEMENT DISTRICTS; SALE CERTIFICATES~~)

A person who practices dental therapy in Arizona is required to be licensed as a “dental therapist” (defined) by the Board of Dental Examiners, and requirements for licensure as a dental therapist are established. A dental therapist license expires on June 30 of every third year unless

renewed by the licensee. Dental therapists are prohibited from practicing dental therapy except under the “direct supervision” (defined) of a dentist or under and pursuant to a written collaborative agreement with a supervising dentist, and requirements for those agreements are established. Dentists are prohibited from entering into more than four separate collaborative practice agreements for the delivery of dental therapy services. A dental therapist is prohibited from entering into a written collaborative agreement unless the dental therapist has completed 1,000 hours of dental therapy clinical practice under the direct supervision of a dentist. Dental therapists are limited to practicing only in practice settings or locations operated or served by a federally qualified community health center, a health center program that has received a federal look-alike designation, a community health center, a nonprofit dental practice or nonprofit organization that provides dental care to low-income and underserved individuals, or a private dental practice that provides dental care for community health center patients of record who are referred by the community health center. Providing services or procedures as a dental therapist that exceed the scope of practice is added to the definition of unprofessional conduct. It is a class 6 (lowest) felony for a person to practice dental therapy without a license. Dental therapists are added to various Board statutes relating to dentists and dental hygienists. By December 31, 2023, the Department of Health Services, in consultation with the Board of Dental Examiners, is required to conduct a study on the impact of licensing dental therapists on patient safety, cost effectiveness and access to dental services in Arizona. Requirements for the study are listed. The Dept. is required to report the findings of the study to the Legislature within 30 days after completing the study. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Thorpe
AAR Position:
Monitor

Last Action: 5/16 signed by governor. Chap. 296, Laws 2018.

HB2242: FIRE DISTRICTS; REVISIONS; COUNTY ISLANDS

Establishes an alternate form of establishment of a noncontiguous county island fire district for a fire district that is surrounded by incorporated areas in a county and that contracts for fire protection services from an adjacent municipality if the district receives Approval from the county board of supervisors to reform as a noncontiguous county island fire district. The process for the fire district to reform is specified, including a public hearing on the proposed reformation. If the fire district board determines the public health, comfort, convenience, necessity or welfare will be promoted, the district board is required to Appropriations the proposed reformation and notify the county board of supervisors. The county board of supervisors is required to determine whether the fire district may reform as a noncontiguous county island fire district, and the decision of the county board of supervisors is final. AS SIGNED BY GOVERNOR.

First sponsor: Rep. E. Farnsworth
AAR Position:

Monitor

Last Action: 3/29 signed by governor. Chap. 93, Laws 2018.

HB2262: CONDOMINIUMS; TERMINATION; APPRAISALS

For the purpose of termination of condominium procedures, an additional five percent of the calculated respective interests of condominium unit owners is added to the respective interest total for relocation costs for owner-occupied units. A determination of fair market value of a condominium unit as determined by an independent appraiser selected by the condominium association becomes final unless disapproved by the unit owner within 60 days, increased from 30 days, after distribution to the unit owner. A unit owner is authorized to obtain a second independent appraisal at the unit owner's expense. If the total amount of compensation owed as determined by the second appraiser is more than five percent higher than the amount determined by the association's appraiser, the unit owner must submit to arbitration at the association's expense, and the arbitration amount is the final sale amount. An additional five percent of the final sale amount must be added for relocation costs for owner-occupied units. This legislation applies to all condominiums created in Arizona without regard to when the condominium was created. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Toma

AAR Position:

Monitor

Last Action: 4/17 signed by governor. Chap. 235, Laws 2018.

HB2263: LANDLORD TENANT; SECURITY DEPOSITS

If a tenant did not dispute the deductions from a security deposit or the amount due and payable to the tenant within 60 days after termination of the tenancy, the amount due the tenant would have been final and any further claims would have been waived. The list of reasons a tenant would have been permitted to terminate a rental agreement would have been expanded to include if the tenant was the victim, in the tenant's dwelling, of sexual assault, and a tenant would have been prohibited from incurring early termination penalties or fees if s/he provided to the landlord a copy of a protective order or written law enforcement report. AS VETOED BY GOVERNOR. In his veto message, the Governor asked the Legislature to send him a budget that gives teachers a 20 percent raise by 2020 and restores additional assistance.

First sponsor: Rep. Toma

AAR Position:

Monitor

Last Action: 4/20 VETOED.

HB2269: TAX POLICY REVIEW; REFORM; RECOMMENDATIONS

By the first Monday in February 2019 and the first Monday in February 2020, "the department" (unspecified in original) and Joint Legislative Budget Committee are required to review state and local tax policies in consultation with an association of municipalities in Arizona and develop recommendations for reforms, including a list of specified reforms, and to submit a report of recommendations to the Governor and the Legislature. Self-repeals January 1, 2021.

First sponsor: Rep. Thorpe
AAR Position:
Monitor

Last Action: 2/7 from House Ways and Means Committee with amendment #4110.

HB2280: UNIVERSITIES; LEASE-BACK FINANCING

Beginning July 1, 2018 and retroactive to that date, the Arizona Board of Regents (ABOR) or a corporation formed by a university under ABOR jurisdiction is prohibited from entering into a development agreement for which the deed to a property improvement is transferred to ABOR or that university and subsequently leased back to a private lessor for commercial use unless the property improvement is primarily for an academic purpose or student housing. Leased property in a research park may only be used for regional or national headquarters of the lessee or its subsidiaries that are engaged in research and development or education activities for a lease originally entered into with ABOR before July 31, 2018. Retroactive to January 1, 2018, ABOR is prohibited from designating a new research park or increasing the size of a research park without Approval of the Legislature.

First sponsor: Rep. Leach
AAR Position:
Monitor

Last Action: 2/19 from House rules okay.

HB2285: TECH CORRECTION; REAL ESTATE DEPARTMENT

Minor change in Title 32 (Professions & Occupations) related to the Real Estate Department. Apparent striker bus.

First sponsor: Rep. Boyer
AAR Position:
Monitor

Last Action: 5/3 referred to House rules only.

HB2289: HOUSING TRUST FUND; UNCLAIMED PROPERTY

The amount of proceeds from the sale of abandoned property that are deposited in the Housing Trust Fund each fiscal year is changed to 55 percent of the proceeds, instead of \$2.5 million.

First sponsor: Rep. Alston

AAR Position:

Monitor

Last Action: 1/17 referred to House Appropriations Committee.

HB2291: GROUNDWATER BASIN; DEPARTMENT SURVEY

The Department of Water Resources is required to conduct a survey of one or more areas in the groundwater basins of the upper Colorado River water planning area to determine the status and resiliency of groundwater in these areas. The Dept. is required to compile and report to the Legislature and the county board of supervisors for each county in the relevant groundwater basins on specified data generated by the survey. Self-repeals January 1, 2019.

First sponsor: Rep. Cobb

AAR Position:

Monitor

Last Action: 1/17 referred to House Land, Agriculture, and Rural Affairs Committee.

HB2308: HOMEOWNERS' ASSOCIATIONS; IMPROVEMENT DISTRICTS; ZONING

Counties and municipalities are no longer prohibited from requiring as part of a subdivision Approval or regulation or a zoning ordinance that a sub-divider or developer establish a homeowner's association, and are instead required to provide for the establishment of single-family residential property developments that do not include property held in common ownership and that are required to be included in an improvement district for the limited purpose of owning, operating and maintaining any detention and retention basins, landscaping, open spaces, parks, entryways, street rights-of-way, recreational facilities and other improvements for the benefit of the private property owners within the development and the improvement district. Does not prohibit a sub-divider or developer from obtaining Approval for a residential property development that does not include property held in common ownership without an improvement district.

First sponsor: Rep. Bowers

AAR Position:

Monitor (closely)

Last Action: 1/18 referred to House Government Committee.

HB2325: COUNTIES; MUNICIPAL LAND ACQUISITION; REPEAL

Repeals statute allowing a county to acquire by purchase or any other means land that is located within a municipality only if acquisition of the land is part of a management agreement agreed to by the governing body of the municipality.

First sponsor: Rep. Thorpe

AAR Position:

Monitor

Last Action: 2/7 from House Local and International Committee do pass.

HB2330: ONE PERCENT PROPERTY TAX LIMIT; GPLET

If a school district qualifies for additional state aid for education in the fiscal year and if all or part of an affected school district is located in a municipality or stadium district in which any government property improvement is located, the Property Tax Oversight Commission is required to determine the full amount of primary property tax that would have been assessed for the tax year by the affected school district against each government property improvement, notify the municipality and any affected stadium district of the amount, and notify the State Treasurer to withhold from state shared monies and pay the amount computed for each government property improvement to each appropriate school district. The maximum amount of additional state aid for education funded by the state of \$1 million per county is deleted.

First sponsor: Rep. Leach

AAR Position:

Monitor

Last Action: 2/22 retained on House COW calendar.

HB2333: HOME-BASED BUSINESSES; LOCAL REGULATION

A county or municipality cannot prohibit the operation of a "no-impact home-based business" (defined) or otherwise require a person to apply for or obtain any permit, license or other prior Approval to operate a no-impact home-based business. Establishes a list of factors that qualify a residential property for use as a no-impact home-based business. Counties and municipalities are permitted to establish reasonable regulations on a home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety. AS PASSED HOUSE.

First sponsor: Rep. Weninger

AAR Position:
Support

Last Action: 3/13 from Senate Commerce and Public Safety Committee do pass.

HB2344: SPECIAL DISTRICT BOUNDARIES; CONTIGUOUS LANDS

a proposed annexation to a fire district, community park maintenance district or sanitary district to be considered contiguous when government-owned land intervenes between the proposed addition and the current district boundary, the proposed addition is also required to be less than 1/4 mile from the current district boundary.

First sponsor: Rep. Mitchell
AAR Position:
Monitor

Last Action: 2/7 House Local and International Committee held.

HB2346: ENERGY MEASURING; REPORTING; PROHIBITION; REPEAL

Repeals statutes prohibiting counties and municipalities from requiring an owner, operator or tenant of a business, commercial building or multifamily housing property to measure and report energy usage and consumption.

First sponsor: Rep. Engel
AAR Position:
Oppose

Last Action: 1/17 referred to House Local and International Committee.

HB2385: PROPERTY TAX APPEALS; COURT FINDINGS

If a property tax appeal is taken by a county assessor and the court finds that the valuation is insufficient, the court's finding of the property's full cash value is prohibited from being greater than the full cash value that was appealed by the taxpayer to the Board of Equalization. Applies retroactively to property tax appeals that were filed in court beginning January 1, 2017. Emergency clause. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Clodfelter
AAR Position:
Monitor

Last Action: 3/23 signed by governor. Chap. 73, Laws 2018.

HB2388: DISPOSITION OF PUBLIC ROADWAYS

In addition to a quitclaim deed, a governing body is permitted to authorize the Department of Transportation to sell and convey the land within a roadway or portion of a roadway by "other appropriate instrument."

First sponsor: Rep. Rivero

AAR Position:

Monitor

Last Action: 1/23 referred to House Transportation and Infrastructure Committee.

HB2396: PROPERTY; SUBDIVISION; SIZE; REQUIREMENTS

Private property in a rural county or municipality may contain up to one single-family residence per acre that is occupied by a full-time or part-time resident or vacation rental occupant and may contain any of a yurt, hogan, recreational vehicle, prefabricated home, or single-family residence that complies with all applicable state and local construction, health and safety laws and that is occupied by a full-time or part-time resident or vacation rental occupant. For the purpose of municipal zoning regulations and state real estate regulations, "subdivision" or "subdivided lands" does not include the division of land into lots or parcels of five acres or less if the size of the lots or parcels after the division is at least as large as the average lot or parcel size within five miles. County boards of supervisors are required to allow the division of land into lots or parcels of five acres or less if the size of the lots or parcels after the division is at least as large as the average lot or parcel size within five miles.

First sponsor: Rep. Thorpe

AAR Position:

Monitor

Last Action: 2/6 House Federal Policy Committee held.

HB2399: REAL ESTATE LICENSES; ONLINE CLASSES

Applicants for a real estate salesperson's license or real estate broker's license would have been permitted to complete the applicable required training course online if offered by a certified real estate school, but would have been required to complete an examination on the course in person. At least 90 days before holding an "online course" (defined) for real estate licensure, the course provider would have been required to file an application for a certificate of online course Approval with the Department of Real Estate. Online courses would have been required to be divided into 50-minute instructional segments. The Dept would have been required to issue online course Approval within 90 days, after which a course would be automatically approved on a provisional basis unless the Dept otherwise notified the applicant of specific deficiencies or

unfulfilled requirements. Online course Approval would have been for a period of at least four years if the contents remained current and substantially unchanged. The Dept would have been authorized to establish by rule additional appropriate requirements for Approval of an online course. Would have become effective January 1, 2019. AS VETOED BY GOVERNOR. In his veto message, the Governor asked the Legislature to send him a budget that gives teachers a 20 percent raise by 2020 and restores additional assistance.

First sponsor: Rep. Mosley
AAR Position:
Monitor

Last Action: 4/20 VETOED.

HB2454: SEXUAL ASSAULT; RENTAL AGREEMENT TERMINATION

A tenant is permitted to terminate a rental agreement if the tenant provides to the landlord written notice that the tenant was the victim, in the tenant's dwelling, of sexual assault.

First sponsor: Rep. Hernandez
AAR Position:
Monitor

Last Action: 2/28 referred to Senate Commerce and Public Safety Committee.

HB2457: CORPORATION COMMISSION; DATABASE FEE; PROHIBITED

The Corporation Commission is prohibited from charging a fee to any entity for information entered into the document database, instead of being allowed to charge a fee. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Norgaard
AAR Position:
Monitor

Last Action: 4/3 signed by governor. Chap. 119, Laws 2018.

HB2479: TPT; DIGITAL GOODS & SERVICES

For the purpose of transaction privilege and use taxes and local excise taxes, the gross income, gross receipts, gross proceeds, purchase price or sales price from selling, leasing, licensing, purchasing or using "specified digital services" (defined) and from selling, leasing, licensing, purchasing or using "specified digital goods" (defined) that are remotely accessed by a customer and not transferred electronically to the customer, are excluded from tax. Does not apply to

services provided by a person that is subject to tax under the online lodging marketplace classification. The business of selling, renting or licensing for use of "prewritten computer software" (defined), regardless of delivery method, and selling specified digital goods that are "transferred electronically" (defined) are added to the retail classification of transaction privilege taxes. The sale of prewritten computer software and specified digital goods must be sourced to the seller's business location if the seller receives the order at a business location in Arizona, and to the purchaser's location in Arizona if the seller receives the order at a business location outside Arizona. Levies an excise tax on the use or consumption in Arizona of prewritten computer software and specified digital goods transferred electronically as a percentage of the acquisition price. The tax rate is the tax rate prescribed in statute for retailers (currently 5 percent and voter protected). Through June 30, 2021, an additional rate increment of 0.6 percent is imposed and must be collected. Each person using or consuming prewritten consumer software or specified digital goods transferred electronically in Arizona is liable for the tax. Contains a legislative intent section, which states that this legislation is not intended to affect, and may not be cited or applied in, any administrative or judicial action pending on the effective date of this legislation that considers the construction, interpretation or application of any statutory or administrative provision regarding the taxation of digital goods and services. Effective from and after the last day of the month of the general effective date of the 53rd Legislature, 2nd Regular Session. AS PASSED HOUSE.

First sponsor: Rep. Ugenti-Rita

AAR Position:

Monitor

Last Action: 5/1 Senate Appropriations Committee held.

HB2485: TECH CORRECTION; WATER EXCHANGES

Minor change in Title 45 (Waters) related to water exchanges. Apparent striker bus.

First sponsor: Rep. Shooter

AAR Position:

Monitor

Last Action: 5/3 referred to House rules only.

HB2490: CONTRACTS; LICENSURE REQUIREMENT WAIVERS

In a contract between two or more private parties, the parties are permitted to agree to waive any state, city, town or county laws relating to licensure, certification, registration or other authorization to act for the purposes of the contract if a list of specified conditions applies, including that the subject of the contract is substantially delivered by electronic means and that

the waiver does not materially affect a third party or clearly harm or damage public health or safety. Some exceptions. AS PASSED HOUSE.

First sponsor: Rep. Rivero

AAR Position:

Monitor

Last Action: 3/19 Senate Commerce and Public Safety Committee held.

HB2500: REAL ESTATE SIGNS; CITIES; COUNTIES

Counties and municipalities cannot prohibit an owner of real property or the owner's agent from displaying on the property and/or in an area within a public or private right-of-way a sign advertising that the property is for sale or rent, an open house, the owner or agent's name and contact information, and directions to the property.

First sponsor: Rep. Grantham

AAR Position:

Support with Lobbying

Last Action: 3/8 from Senate Government Committee do pass.

HB2507: PURCHASER DWELLING ACTIONS; ATTORNEY FEES

In a contested dwelling action based on an implied warranty arising out of the contract or the construction, each party is required to bear its own attorney fees. Does not alter, prohibit or restrict present or future contracts that may provide for the recovery of attorney fees. Retroactive to July 4, 2015. Severability clause.

First sponsor: Rep. Mitchell

AAR Position:

Oppose with Lobbying

Last Action: 2/15 from House Judiciary and Public Safety Committee do pass.

HB2512: WATER PROGRAM AMENDMENTS

Various changes to statutes relating to water. For a county that is not in an Active Management Area(AMA), the county board of supervisors is required to review the provision for adequate water supply for a subdivision and after review may by unanimous vote at a public meeting not to readopt the provision. The review is required to occur not more than 5 years after the effective date of this legislation and every 5 to 10 years thereafter. The board is required to give written notice of any vote not to readopt the provision to the Director of the Department of Water

Resources, the Director of the Department of Environmental Quality and the State Real Estate Commissioner. The vote not to readopt the provision is effective and the provision has no further force if a list of specified conditions apply at the time of the vote. The Director of the Department of Water Resources (DWR) is required to prepare a desalination action plan that includes a list of specified provisions. If the Director determines there is significant brackish water underground in a county adjacent to the Colorado River, the Director is required to include in the desalination action plan an analysis and evaluation of the source of the underground water, whether the water is being used and, if the water is being used, the purposes for which it is being used. The Director is required to submit the initial plan to the Governor and the Legislature by September 30, 2019, and is required to submit subsequent reports on the plan and its results by December 31 every two years thereafter. Requires legislative Approval, in addition to DWR Approval, for a person to transport water out of Arizona. Until December 31, 2021, in the Pinal AMA the Director of DWR is required to calculate the initial volume of extinguishment credits for the extinguishment of a grandfathered right according to a newly established formula. Requires DWR to adopt rules to calculate extinguishment credits in the Pinal AMA by January 1, 2019. The Director of DWR is required to recalculate the amount of groundwater available for use in the Pinal AMA for purposes of determining as assured water supply. Declares that the use of groundwater to water plants in containers on or above the surface of the ground is a non-irrigation use in an AMA and establishes requirements for the use of groundwater for this purpose. The Director of DWR is required to adopt a management plan for each initial AMA no later than January 1, 2023 for the sixth management period, 2025 to 2035. DWR is required to include in the management plans a non-per capita conservation program for municipal providers that requires a municipal provider regulated under the program to implement one or more water conservation measures in its service area. Establishes other requirements for municipal providers regulated under the non-per capita conservation program. DWR is also required to include in the management plans the historic cropping program to assure that conservation equivalent to that required by the agricultural conservation program will be achieved. Establishes a list of provisions that must be included in the historic cropping program. Retroactive to July 1, 2018, responsibility for oversight of natural resource conservation districts is transferred to the Department of Forestry and Fire Management, from the State Land Department, and the State Forester, instead of the State Land Commissioner, is the state natural resource conservation commissioner. Session law provides for the transfer and succession of all matters, property and records. AS PASSED HOUSE.

First sponsor: Rep. Bowers
AAR Position:
Monitor

Last Action: 3/27 from Senate rules okay.

HB2514: HURF DISTRIBUTION; CITIES; TOWNS; COUNTIES

In FY2019-20, the Department of Transportation is required to allocate and the State Treasurer is required to distribute \$18 million from revenues of the Arizona Highway User Revenue Fund (HURF) to small counties and municipalities. Of the \$18 million, \$9 million must be distributed to counties with a population of less than 250,000 persons and \$9 million must be distributed to municipalities with a population of less than 7,500 persons. Self-repeals November 1, 2020. Contains a legislative intent section. Effective July 1, 2019. AS PASSED HOUSE.

First sponsor: Rep. Cook
AAR Position:
Monitor

Last Action: 3/29 from Senate Appropriations Committee do pass.

HB2519: ADVERSE POSSESSION; NOTICE; MARKET VALUE

The adverse possession of real property may commence only after the person who seeks the adverse possession provides a notice of the person's intent to adversely possess the real property to the owner of the parcel as shown on the current tax role and to any other party who has a legal or equitable interest in the real property recorded with the county recorder. In an action for adverse possession, the burden of proof is on the person who claims the adverse possession.

First sponsor: Rep. Kern
AAR Position:
Monitor

Last Action: 2/14 House Judiciary and Public Safety Committee FAILED 3-6.

HB2529: ASSISTED LIVING; REFERRALS; DISCLOSURE (~~SOBER LIVING HOMES;~~ CERTIFICATION)

A "referral agency" (defined) is required to disclose to any prospective resident or his/her representative who has been referred by the referral agency for care at an assisted living facility of the existence of any current business relationship between the referral agency and the assisted living facility, and that the assisted living facility pays a fee to the referral agency in connection with the referral. Documentation of the disclosure is required to be signed and dated by both the prospective resident or representative and the referral agency, and a copy of the signed disclosure must be provided to the assisted living facility before the facility may pay any referral fee. Violations are subject to a civil penalty of up to \$1,000. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Campbell
AAR Position:
Monitor

Last Action: 5/16 signed by governor. Chap. 313, Laws 2018.

HB2530: HOA; DECLARANT CONTROL; CONFLICTS

Persons who have either a specified business or familial relationship with the declarant or who have the appearance of a conflict of interest due to specified real estate activities in the community are ineligible to serve on the board of directors of a homeowners' association after the period of declarant control.

First sponsor: Rep. Campbell

AAR Position:

Oppose

Last Action: 2/6 referred to House Local and International Committee.

HB2532: OCCUPATIONAL REGULATION; MUNICIPALITIES; COUNTIES; PROHIBITION

Counties and municipalities are not permitted to impose an "occupational licensing requirement" (defined) on any occupation, trade or profession unless the new requirement is necessary to protect the health, safety or welfare of the public. Counties and municipalities are required to follow a specified process, including holding at least one public hearing, in order to impose an occupational licensing requirement on any occupation, trade or profession on which the county or municipality has not previously imposed a fee, requirement or other regulation. An occupational licensing requirement in effect on the effective date of this legislation is required to terminate five years after its adoption unless the county or municipality continues the requirement by following this process at least three months before the requirement expires. Some exceptions. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Payne

AAR Position:

Neutral

Last Action: 5/16 signed by governor. Chap. 314, Laws 2018.

HB2540: HOMEOWNERS' ASSOCIATIONS; RADAR GUNS; CERTIFICATION

A homeowners' association is prohibited from using a doppler radar unit or other speed enforcement tool to detect a violation of statutory speed restrictions or of a city or town ordinance unless the radar or tool is properly calibrated by a licensed facility and the results are submitted to the Arizona Peace Officer Standards and Training Board, the operator of the unit or tool has at least 10 hours of training on its proper use, and the speed detected is at least 10 miles per hour above the posted speed limit.

First sponsor: Rep. Townsend
AAR Position:
Monitor

Last Action: 2/14 House Local and International Committee FAILED 3-4.

HB2542: WATER RESOURCES; ANNUAL PRESENTATION

Each year, the Director of the Department of Water Resources is required, on request, to present the annual report on Dept operations and recommendations for legislation to the legislative committees related to water issues. AS PASSED HOUSE.

First sponsor: Rep. Bowers
AAR Position:
Monitor

Last Action: 3/27 from Senate rules okay.

HB2543: SAN PEDRO WATER DISTRICT; REPORT

The San Pedro Water District is required to provide a copy of the District's annual report to the Secretary of State and the Director of the Department of Water Resources, instead of to the Director of the Arizona State Library, Archives and Public Records.

First sponsor: Rep. Bowers
AAR Position:
Monitor

Last Action: 3/28 Senate COW approved with amendment #4870.

HB2551: LIABILITY DAMAGES CLAIM; APPEALS (~~WATER; DESALINATION ACTION PLAN~~)

A judgment on a claim for liability damages made against the state that is on appeal may be settled only as provided in statute. AS PASSED SENATE.

First sponsor: Rep. Bowers
AAR Position:
Monitor

Last Action: 4/5 passed Senate 28-0; ready for House action on Senate amendments.

HB2552: DESALINATION ACTION STUDY COMMITTEE

Establishes a 13-member Desalination Action Study Committee to review studies or receive reports and recommendations regarding the economic impact on Arizona resulting from the amount and effects of high salinity water. The Committee is required to submit a report of its findings and recommendations to the Governor and the Legislature by December 31, 2018 and self-repeals October 1, 2019.

First sponsor: Rep. Bowers
AAR Position:
Monitor

Last Action: 5/3 referred to House rules only.

HB2553: ADEQUATE WATER SUPPLY; COUNTY REVIEW

For a county that is not in an Active Management Area, the county board of supervisors is required to review the provision for adequate water supply for a subdivision and after review may by unanimous vote at a public meeting not to readopt the provision. The review is required to occur not more than 5 years after the effective date of this legislation and every 5 to 10 years thereafter. The board is required to give written notice of any vote not to readopt the provision to the Director of the Department of Water Resources, the Director of the Department of Environmental Quality and the State Real Estate Commissioner. The vote not to readopt the provision is effective and the provision has no further force if a list of specified conditions apply at the time of the vote. AS PASSED HOUSE.

First sponsor: Rep. Bowers
AAR Position:
Monitor

Last Action: 3/27 from Senate rules okay.

HB2556: ENVIRONMENT; WATER QUALITY; BRINE

By December 1, 2019, the Director of the Department of Environmental Quality (DEQ), in coordination with the Department of Water Resources, is required to review existing data on the use and reuse of high salinity water and identify locations in Arizona as potential sources for supplementing water supplies in Arizona. The Director of DEQ is required to post the report on the DEQ webpage. AS PASSED HOUSE.

First sponsor: Rep. Nutt

AAR Position:
Monitor

Last Action: 2/26 referred to Senate Natural Resources and Energy Committee.

HB2566: APPROPRIATIONS COMMITTEE PRIATION; ADULT PROTECTIVE SERVICES

Makes a supplemental appropriation of \$3 million and 43 FTE positions from the general fund in FY2018-19 to the Department of Economic Security for Adult Protective Services.

First sponsor: Rep. Alston
AAR Position:
Monitor

Last Action: 2/6 referred to House Appropriations Committee.

HB2568: AFFORDABLE HOUSING TAX CREDIT

Establishes a credit against individual and corporate income taxes and insurance premium taxes for projects that qualify for the federal low-income housing tax credit and that are placed in service from and after June 30, 2019. The credit is equal to the amount of the federal low-income housing credit for the qualified project. To claim the credit, a taxpayer is required to apply to the Arizona Department of Housing and receive an eligibility statement. If the amount of the credit exceeds taxes due, the taxpayer may carry the unused amount forward for up to five consecutive taxable years. The maximum aggregate credit amount is \$10 million in any calendar year. Effective January 1, 2019. AS PASSED HOUSE.

First sponsor: Rep. Rivero
AAR Position:
Support

Last Action: 3/14 referred to Senate Finance Committee.

HB2569: FRACTIONAL OWNERSHIP; REGULATION; LIMITATION

Counties and municipalities cannot prohibit or otherwise restrict fractional ownership of a collectively owned dwelling unit or group of units in use or occupancy periods of four weeks or more, and cannot prohibit or otherwise restrict a person with fractional ownership interest in a collectively owned dwelling unit or group of units from renting out all or a portion of that person's fractional ownership interest for any period of time, including periods of thirty days or more.

First sponsor: Rep. Rivero
AAR Position:
Monitor

Last Action: 2/14 House Local and International Committee held.

HB2586: ANTIDISCRIMINATION; EMPLOYMENT; HOUSING; PUBLIC ACCOMODATIONS

The list of attributes for which a person cannot be discriminated against in employment practices, various housing related statutes, and in places of public accommodation is expanded to include "sexual orientation" and "gender identity" (both defined).

First sponsor: Rep. Hernandez
AAR Position:
Monitor

Last Action: 2/6 referred to House Judiciary and Public Safety Committee.

HB2596: PROPERTY TAXES; ABATEMENT; PROCEDURES (~~NATURAL RESOURCE CONSERVATION DISTRICTS; ADMIN~~)

The list of circumstances under which property taxes may be abated is expanded to include when the amount of the personal property taxes owing, including interest and penalties, is de minimis and the property taxes are six years or more past due. This circumstance permits personal property taxes only to be abated, and the abatement is at the discretion of the county treasurer and if the county assessor agrees. Also, a real property tax lien that is sold may be redeemed by any person that wants to pay on behalf of the owner by making a charitable gift. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Toma
AAR Position:
Monitor

Last Action: 5/16 signed by governor. Chap. 319, Laws 2018.

HB2608: WELL REPORTING; MOHAVE, LA PAZ BASINS

The owner of a well that is located in the Hualapai Valley basin, the Sacramento Valley basin, the Renegras Plain basin, the McMullen Valley basin or the Butler Valley basin is required to report the amount of water withdrawn by that well if the well was drilled on or after January 1, 2012, and the well has a pump with a maximum capacity of more than 100 gallons per minute. The report is required to be filed on or before December 10 of 2018, 2019 and 2020 in the form

as prescribed by the Department of Water Resources and must be complete for the preceding 12 calendar months.

First sponsor: Rep. Cobb

AAR Position:

Oppose

Last Action: 2/6 referred to House Land, Agriculture, and Rural Affairs Committee.

HB2609: HOAS; ASSESSMENTS; FORECLOSURES

A lien on a unit in a condominium association or homeowner's association is required to be enforced first by a civil action for the amount owed, and on entry of judgement, by proper execution of a garnishment of monies or property, and the HOA may foreclose on the property only on any failure to recover the full amount of the assessments owed by way of the execution of the writ of garnishment.

First sponsor: Rep. Mosley

AAR Position:

Oppose

Last Action: 2/14 House Local and International Committee held.

HB2644: TECH CORRECTION; CONSERVATION EASEMENTS; APPLICABILITY

Minor change in Title 33 (Property) related to conservation easements. Apparent striker bus.

First sponsor: Rep. Martinez

AAR Position:

Monitor

Last Action: 5/3 referred to House rules only.

HB2651: LANDLORD TENANT; SECURITY DEPOSITS

If a tenant does not dispute the deductions from a security deposit or the amount due and payable to the tenant within 60 days after the itemized list and amount due are mailed, the amount due the tenant is deemed valid and final and any further claims of the tenant are waived. The list of reasons a tenant is permitted to terminate a rental agreement is expanded to include if the tenant was the victim, in the tenant's dwelling, of sexual assault, and a landlord is prohibited from withholding the security deposit for early termination of the lease if the tenant provides to the landlord a copy of a protective order or written law enforcement report. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Toma
AAR Position:
Monitor

Last Action: 5/16 signed by governor. Chap. 323, Laws 2018.

HB2655: REAL ESTATE LICENSES; ONLINE CLASSES

Applicants for a real estate salesperson's license or real estate broker's license are permitted to complete the applicable required training course through an "online course" (defined) if offered by a certified real estate school, but are required to complete an examination on the course in person. At least 90 days before holding an online course for real estate licensure, the course provider is required to file an application for a certificate of online course Approval with the Department of Real Estate. Online courses are required to be divided into 50-minute instructional segments. The Dept is required to issue online course Approval within 90 days, after which a course is automatically approved on a provisional basis unless the Dept otherwise notifies the applicant of specific deficiencies or unfulfilled requirements. Online course Approval is for a period of at least four years if the contents remain current and substantially unchanged. The Dept is authorized to establish by rule additional approval requirements for Approval of an online course. Effective January 1, 2019. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Mosley
AAR Position:
Monitor

Last Action: 5/16 signed by governor. Chap. 327, Laws 2018.

HCR2035: WATER MANAGEMENT; SOURCES; POLICIES; SUPPORT

The members of the Legislature support ongoing efforts to identify and develop policies to secure additional sources of water for the State of Arizona.

First sponsor: Rep. Bowers
AAR Position:
Monitor

Last Action: 2/7 referred to House Energy and Environment Committee.

HJR2001: LOWER COLORADO DROUGHT CONTINGENCY AGREEMENT

The State of Arizona waives its sovereign and contractual rights to the use of certain quantities of surplus water from the Colorado River that would otherwise be available for consumptive use

within the State of Arizona under the 1944 Colorado River water contract and the decree in Arizona v. California, on specified conditions. Authorizes and approves a contract with unspecified provisions (blank in original).

First sponsor: Rep. Toma
AAR Position:
Monitor

Last Action: 2/7 referred to House Energy and Environment Committee.

SB1001: HOME-BASED BUSINESSES; REGULATION RESTRICTIONS

County ordinances cannot restrict or otherwise regulate the owner of a home-based business that holds a valid license from using 50 percent or less of the square footage of the primary residential dwelling to conduct home-based business activity, or from using a 400-square foot or smaller "accessory structure" (defined) or garage for home-based business activity.

First sponsor: Sen. D. Farnsworth
AAR Position:
Support

Last Action: 1/30 from Senate Commerce and Public Safety Committee do pass.

SB1002: HOME-BASED BUSINESSES; REGULATIONS; MUNICIPALITIES

Municipal ordinances cannot restrict or otherwise regulate the owner of a home-based business that holds a valid license from making residential property improvements for use by the home-based business, displaying a temporary commercial sign of up to 24 inches by 24 inches during business hours, selling any goods, generating traffic, parking or delivery activity that does not cause on-street parking congestion or a substantial increase in traffic through the residential area, from having more than one client on the property at one time, or from employing residents of the primary residential dwelling, "immediate family members" (defined), or one or two individuals who are not residents of the primary dwelling or immediate family members. Municipal ordinances cannot restrict or otherwise regulate the owner of a home-based business that holds a valid license from using 50 percent or less of the square footage of the primary residential dwelling to conduct home-based business activity, or from using a 400-square foot or smaller "accessory structure" (defined) or garage for home-based business activity.

First sponsor: Sen. D. Farnsworth
AAR Position:
Support

Last Action: 1/30 from Senate Commerce and Public Safety Committee with amend #4042.

SB1038: STATE LAND SALES; PAYMENT METHOD

A payment for the sale of state land may be made in any form of payment approved by the State Land Commissioner, instead of only by cashier's check. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/16 signed by governor. Chap. 18, Laws 2018.

SB1039: APPROPRIATIONS COMMITTEEPRIATION; ARIZONA WATER PROTECTION FUND

Appropriates \$400,000 from the general fund in FY2018-19 to the Arizona Water Protection Fund. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 5/16 signed by governor. Chap. 330, Laws 2018.

SB1040: SERVICE ANIMALS; MISREPRESENTATION

service animal in training to a person or entity that operates a public place. A court or duly appointed hearing officer may impose on a person in violation a civil penalty of \$250.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 1/18 from Senate Government Committee do pass.

SB1041: RESIDENCY RESTRICTIONS; SEX OFFENDERS; VICTIMS

It is unlawful for a person who is required to register as a sex offender to knowingly establish a residence within 1,000 feet of the real property on which the person's former victim resides. Some exceptions. Violations are a class 1 (highest) misdemeanor, and second or subsequent violations are a class 6 (lowest) felony. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor

Last Action: 4/11 signed by governor. Chap. 186, Laws 2018.

SB1043: COUNTY RECORDER; RECORDING FEES

The fees received by the county recorder are modified as follows: \$30 for recording papers required or authorized by law, instead of \$5 for the first 5 pages plus \$1 for each additional page, and \$15 for recording papers to which a government entity is the requesting party, instead of \$3 for the first 5 pages plus 50 cents for each additional page. Separate fee amounts for recording deeds affecting interest in real property and deeds of trust or mortgage are eliminated. Additional fees such as the special recording surcharge, the fee for real estate transfers, and the fee for an affidavit of annual work, are included in the total fee instead of being charged separately. Effective July 1, 2019. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Kavanagh
AAR Position:
Monitor

Last Action: 4/5 signed by governor. Chap. 143, Laws 2018.

SB1045: HOME INSPECTIONS

Applicants for certification as a home inspector are required to have a valid fingerprint clearance card, instead of submitting a full set of fingerprints to the Board of Technical Registration. The Board is authorized to employ and pay on a-fee-persons to review an applicant's required documents for home inspector certification and regulation. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Kavanagh
AAR Position:
Support

Last Action: 3/23 signed by governor. Chap. 46, Laws 2018.

SB1048: PROPERTY TAXES; NOTICE; POSTING

In lieu of publishing an official notice of property taxes in a newspaper of general circulation in the county, the county treasurer may post the notice for four consecutive weeks on an agency website that provides accurate and timely information and that the public routinely uses as a source of county property tax information.

First sponsor: Sen. D. Farnsworth
AAR Position:

Monitor

Last Action: 2/14 Senate Finance Committee held.

SB1052: COUNTY FLOOD CONTROL DISTRICTS; EASEMENTS

The list of conditions under which a county flood control district may authorize the grant of an easement on or a lease of district real property without a public auction is modified to specify that the reimbursement to the district, instead of to the county, for the easement granted or lease executed is not less than the appraised value as determined by the district, instead of by the county. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/23 signed by governor. Chap. 47, Laws 2018.

SB1080: HOMEOWNERS' ASSOCIATIONS; FORECLOSURES; ASSESSMENTS

A lien on a unit in a condominium association or homeowner's association may be foreclosed only if the owner has been delinquent in the payment of monies secured by the lien for a period of 6 months, instead of for one year or \$1,200 or more, whichever occurred first.

First sponsor: Sen. Kavanagh

AAR Position:

Monitor (Closely)

Last Action: 1/9 referred to Senate Government Committee.

SB1084: CONDO; TERMINATION; APPRAISAL DISPUTE

For the purpose of termination of condominium procedures, an additional five percent of the calculated respective interests of condominium unit owners is added to the respective interest total for relocation costs. A determination of fair market value of a condominium unit as determined by an independent appraiser selected by the condominium association becomes final unless disapproved by the unit owner within 60 days, increased from 30 days, after distribution to the unit owner. A unit owner is authorized to obtain a second independent appraisal at the unit owner's expense. If the appraisal amount differs from the association's independent appraisal amount by two percent or less, the higher appraisal is final. If the total amount of compensation owed as determined by the second appraiser is more than two percent higher than the amount determined by the association's appraiser, the unit owner must be paid the average of the two amounts and an additional five percent of that amount for relocation costs. This legislation

applies to all condominiums created in Arizona without regard to when the condominium was created. AS PASSED SENATE.

First sponsor: Sen. Barto
AAR Position:
Monitor to Support

Last Action: 4/3 from House rules okay.

SB1085: AHCCCS; NATUROPATHIC PHYSICIANS (~~TECH CORRECTION; STATE LAND; SALE~~)

For the purpose of the Arizona Health Care Cost Containment System, the definition of "primary care practitioner" is expanded to include a licensed naturopathic physician. Effective October 1, 2019. AS PASSED SENATE.

First sponsor: Sen. Barto
AAR Position:
Monitor

Last Action: 2/22 referred to House Health Committee.

SB1093: MANDATED FIRE SPRINKLERS; PROHIBITION; APPLICABILITY

Statute prohibiting a municipality or county from adopting a code or ordinance that prohibits a person or entity from installing or not installing fire sprinklers in a single-family detached residence or duplex does not apply to any municipality or county that required fire sprinklers for all single-family detached residences and residential buildings before November 15, 2017, any municipality or county that required all new single-family residences to be fully outfitted with an approved fire sprinkler system before November 15, 2017, any ordinance that requires a person or entity to install or equip fire sprinklers in residences that are 5,000 livable square feet or more, and any ordinance that requires a person or entity to install or equip fire sprinklers in structured sober living homes. Previously, the statute did not apply to any code or ordinance that required fire sprinklers in residences that was adopted before December 31, 2009. AS PASSED SENATE.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 3/14 House Local and International Committee FAILED 3-4.

SB1101: CAPTIVE INSURERS; LICENSING (~~PROPERTY TAX APPEALS; COURT FINDINGS~~)

Captive insurers are authorized to directly insure life or disability insurance risks with the Approval of the Director of the Department of Insurance, instead of being prohibited from doing so. The Director is permitted to approve employer group term life insurance, employer group disability income insurance and reimbursement of employer health plan deductibles. Establishes requirements for an agency captive insurer directly insuring life or disability income insurance risk. An agency captive insurer that insures life or disability income insurance risks is required to pay the premium tax for such policies that is in excess of any statutory fees paid. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Petersen
AAR Position:
Monitor

Last Action: 5/1 signed by governor. Chap. 273, Laws 2018.

SB1102: PROPERTY TAXES; ABATEMENT; PROCEDURES

The list of situations where statutes regulating abatement of tax and removal of the lien apply is expanded to include when, at the discretion of the county treasurer, the amount of the property taxes owing, including interest and penalties, is de minimis and the property taxes are six years or more past due. The county treasurer is authorized to grant appropriate relief in these situations with the agreement of the county assessor, instead of with the Approval of the board of supervisors. A mobile home or recreational vehicle is only eligible for assistance from the Mobile Home Relocation Fund if the tenant has paid all property taxes for the current year and past years in full. An abandoned mobile home unit cannot be removed from a mobile home space unless the tenant has paid all property taxes in full and the county treasurer has issued a clearance letter.

First sponsor: Sen. Petersen
AAR Position:
Monitor

Last Action: 3/1 FAILED to pass Senate 14-16.

SB1140: VIDEO SERVICE; CERTIFICATES OF AUTHORITY (STATE LAND DEPARTMENT; CONTINUATION)

The licensing of “video service providers” (defined) and the regulation and use of "video service" (defined as the provision of multichannel video programming, including cable service but excluding internet streaming and direct broadcast satellite service) are of statewide concern and are not subject to further regulation by a local government except as specifically provided in statute. Beginning January 1, 2020, a local government has the exclusive authority to issue a uniform video service license to a person to provide video service and to construct and operate a video service network in any service area within its boundaries. By July 1, 2019, each local government is required to adopt a standard form of uniform video service license agreement for video service providers, which must include a list of specified provisions. Beginning January 1, 2020, an “incumbent cable operator” (defined) is authorized to elect to either continue to operate within a service area or terminate the local license by applying for and obtaining a uniform video service license. If an incumbent cable operator does not timely elect to terminate a local license, the person is required to continue to operate the cable system as a holdover cable operator and comply with the local license for as long as it remains in effect for the service area. Establishes requirements to obtain a certificate of authority, lists the authorities granted by a certificate, and provides for amendment of certificates to add service areas. Establishes the duties of video service providers, including reporting requirements and nondiscrimination requirements. Local governments are prohibited from levying a tax, fee or charge on a video service provider for the use of highways to provide video service, but are authorized to require a video service provider to pay a license fee subject to specified conditions. Provides for enforcement and penalties for violations. Contains legislative findings. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 5/16 signed by governor. Chap. 331, Laws 2018.

SB1142: PRIVATE LAND ACQUISITION; COMMITTEE; CONTINUATION

The Study Committee on Private Land Acquisition self-repeals on October 1, 2020, instead of October 1, 2018, and the deadline for the Committee to report its findings and recommendations to the Governor and the Legislature is moved to December 31, 2019, instead of December 31, 2017. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 3/23 signed by governor. Chap. 51, Laws 2018.

SB1144: CONSERVATION EASEMENTS; NOTICE; VALUATION

The holder of a conservation easement is required to provide for the recording of the easement and its acceptance, and to prepare and provide the information required for the registry of real property burdened by conservation easements to the county assessor for each county in which any portion of the real property is located. The information that must be included in the registry for each parcel is expanded to include the name of the holder of the conservation easement, the name of any governmental body or charitable corporation with a third-party right of enforcement, and the value of the real property as determined by an independent appraisal prior to the creation and recording of the conservation easement. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 3/23 signed by governor. Chap. 52, Laws 2018.

SB1147: COUNTY EXCISE TAX FOR TRANSPORTATION

The board of supervisors of a county with a population of 400,000 persons or less, on a majority vote, is permitted to submit to the voters a transportation plan funded by an excise tax that is in addition to a county transportation excise tax. The board is required to present the issue on the ballot as a single question for Approval or disapprove of the tax. If approved by the voters, the county is required to levy and the Department of Revenue is required to collect the tax beginning January 1 or July 1, whichever occurs first after voter Approval, on the same tax base that applies to other excise taxes in the county. The tax must be levied at a rate that, together with any other county transportation excise taxes, will not exceed a total of one percent. In its initial submission to the voters, the board of supervisors must set a termination date for the tax that is within 240 months after the date the tax begins to be levied. Establishes requirements for county board of supervisors to call and conduct a countywide election to approve the renewal and extension of the tax. Also establishes requirements for the transportation plan funded by the excise tax. At the written request of the regional transportation authority, the board of supervisors of a county with a population of more than 400,000 but less than 1.2 million people is permitted to call and conduct a countywide election to approve the extension of the countywide transportation excise tax at a rate that, together with any tax levied for an existing county transportation excise tax, does not exceed one percent. If approved by the voter, the net revenues collected from the tax must be deposited in the regional transportation fund for the purposes of the regional transportation plan. AS PASSED SENATE.

First sponsor: Sen. Worsley
AAR Position:
Monitor to Support

Last Action: 3/22 from House Ways and Means Committee with amendment #4857.

SB1150: APPLICATION FEES; FINANCIAL INSTITUTIONS DEPARTMENT

Decreases various applications fees payable to the Department of Financial Institutions, including fees for a banking permit, a trust company license, mortgage banker, escrow agent or consumer lender license, and Approval to convert from a federal bank or credit union to a state chartered institution. AS SIGNED BY GOVERNOR.

First sponsor: Sen. D. Farnsworth
AAR Position:
Monitor

Last Action: 4/12 signed by governor. Chap. 214, Laws 2018.

SB1153: FIRE FLOW REQUIREMENTS; RURAL APPLICABILITY

In a county with a population of less than 500,000 persons (all but Maricopa and Pima), any requirement to provide water and/or fire flow for fire protection under a fire code adopted by the state or a county, municipality or fire district does not apply to single-family residential properties or subdivisions with lot dimensions equal to or greater than 1/2 acre in size if the current "adjacent public water distribution system" (defined) or a private well does not meet the requirements to provide water and/or fire flow. Contains a legislative intent section.

First sponsor: Sen. S. Allen
AAR Position:
Monitor

Last Action: 1/29 Senate Natural Resources and Energy Committee held.

SB1156: TECH CORRECTION; ACTIVE MANAGEMENT AREAS

Minor change in Title 45 (Waters) related to groundwater rights. Apparent striker bus.

First sponsor: Sen. S. Allen
AAR Position:
Monitor

Last Action: 1/16 referred to Senate rules only.

SB1175: HOME-BASED BUSINESSES; LOCAL REGULATION

A county or municipality cannot prohibit the operation of a "no-impact home-based business" (defined) or otherwise require a person to obtain any permit, license or other prior Approval to operate a no-impact home-based business. Establishes a list of factors that qualify a residential

property for use as a no-impact home-based business. Counties and municipalities are permitted to establish reasonable regulations on a home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor to Support

Last Action: 1/16 referred to Senate Commerce and Public Safety Committee, Government Committee.

SB1182: IRRIGATION; WATER DISTRICTS; BOARD MEMBERS (~~BUILDING CODE MORATORIUM; REPEAL~~)

If an irrigation and water conservation district includes more than 10,000 acres of land and has five board members, the district is authorized, by resolution of the board of directors, to provide for the election of one additional qualified elector from each division to serve as directors from each division and must reduce its board membership from two directors at large to one director at large. The board is required to stagger the terms of the directors from each division so that no more than one director from each division is elected in any year. Directors hold office for a term of three years. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/23 signed by governor. Chap. 53, Laws 2018.

SB1184: STATE COMPACT; TEMPORARY PROFESSIONAL LICENSES

Enacts an interstate compact for the temporary licensure of professionals to allow member states to expediently grant a temporary license to eligible licensees moving to their state and increase the mobility of professional license. Establishes requirements for a temporary license application. Member states are required to provide another member state with specified information on a licensee within 10 days after request. Temporary licenses are valid for 18 months and are nonrenewable. A member state is permitted to decline to grant reciprocity to active licensees from another member state for a particular occupation by enacting legislation finding that the requirements for such licenses in that member state are inadequate to protect the public health and safety. Also provides for withdrawal from the compact.

First sponsor: Sen. Kavanagh

AAR Position:

Oppose

Last Action: 2/14 Senate Government Committee held.

SB1229: WATER INFRASTRUCTURE FINANCE AUTHORITY; APPROPRIATIONS COMMITTEEPRIATION

Appropriates \$30 million from the general fund in FY2018-19 to the Water Infrastructure Finance Authority.

First sponsor: Sen. Mendez

AAR Position:

Monitor

Last Action: 1/18 referred to Senate Natural Resources and Energy Committee, Appropriations Committee.

SB1248: TAXATION; IMPROVEMENTS ON POSSESSORY RIGHTS

Improvements on possessory rights are subject to statutory limitations on property valuation increases. Repeals statute that exempts a "dwelling on possessory rights" (defined as a permanent improvement to real property that is listed as class 3 property, other than a mobile home, if the owner of the improvement is not the owner of the real property) that is taxed as personal property from seizure or sale for delinquent taxes as personal property, and makes a dwelling on possessory rights subject to procedures for delinquent taxes as real property. Improvements, appurtenances, wells, stock tanks and any other fixed property located on unpatented land, a mining claim or state land not secured by patented real property are not subject to seizure or sale for delinquent taxes as personal property, but are subject to procedures for delinquent taxes as real property.

First sponsor: Sen. Burges

AAR Position:

Monitor

Last Action: 3/21 House Ways and Means Committee held.

SB1252: PRIVATE PROPERTY RIGHTS; LIMITATION

A written demand for just compensation made by the owner of the property to the state or political subdivision that enacted the land use law that reduced the fair market value of the property is an exhaustion requirement that tolls the three-year time period (after which an action for just compensation is barred if not made) for 90 days or for the length of time that it takes for the state or political subdivision to deny the written demand, whichever is less. Due to voter protection, this legislation requires the affirmative vote of at least 3/4 of the members of each house of the Legislature for passage.

First sponsor: Sen. Kavanagh
AAR Position:
Monitor

Last Action: 2/8 from Senate Government Committee do pass.

SB1261: TEXTING WHILE DRIVING; PROHIBITION

A motor vehicle operator is prohibited from using a portable wireless communication device to read, write or send an electronic message while operating a motor vehicle unless the vehicle is stopped. Establishes a list of circumstances that constitute an affirmative defense to a prosecution of this prohibition. Violations are subject to a civil penalty of \$100 for a first violation, \$300 for a second or subsequent violation, or \$500 if the person is involved in a motor vehicle accident. Violations are a petty offense subject to a fine of \$25-\$99 for a first offense, and \$100-\$200 for a second or subsequent offense, except that a violation that causes the death of or serious bodily injury to another person is a class 2 (mid-level) misdemeanor subject to a fine of up to \$4,000.

First sponsor: Sen. Farley
AAR Position:
Monitor

Last Action: 2/19 stricken from Senate consent calendar by Yarbrough.

SB1268: CLASS SIX PROPERTY; ELDERLY HOMEOWNERS

list of property classified as class six for property tax purposes is expanded to include real and personal property and improvements to the property that are used as the owner's primary residence, that are owned by an individual who qualifies for property valuation protection under the state Constitution (for which a person must be age 65 or older), and that are valued at full cash value. Other requirements to qualify for this classification are specified.

First sponsor: Sen. Burges
AAR Position:
Monitor

Last Action: 5/3 from House rules okay. House COW approved. FAILED to pass House 11-49.

SB1271: DWELLING ACTIONS; CONSTRUCTION PROFESSIONALS (CONSTRUCTION CONTRACTS; INDEMNIFICATION; LIABILITY PROVISIONS)

Establishes a 6-member Construction Liability Apportionment Study Committee to research and make recommendations for the apportionment of liability in the construction industry. The

Committee is required to submit a report of its findings and recommendations to the Governor and the Legislature by December 15, 2018, and self-repeals July 1, 2019. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Fann
AAR Position:
Support on 2/28/18 with COW amendment

Last Action: 5/16 signed by governor. Chap. 336, Laws 2018.

SB1273: GRRC; REVIEW; LICENSING REQUIREMENTS

A person is permitted to petition the Governor's Regulator Review Council (GRRC) to request a review of an existing agency practice, substantive policy statement, final rule or licensing requirement that is not specifically authorized by Title 32 (Professions and Occupations) statutes, based on the person's belief that the practice, policy, rule or requirement is unduly burdensome or is not necessary for public health, safety or welfare. If GRRC determines that the practice, policy, rule or requirement applies to a profession for which the median wage in Arizona does not exceed 200 percent of the federal poverty guidelines for a family of four, GRRC is required to review the practice, policy, rule or requirement. If GRRC determines that the practice, policy, rule or requirement is unduly burdensome or is not necessary for public health, safety or welfare and meets the wage requirement, GRRC is authorized to modify, revise or declare void any practice, policy, rule or licensing requirement. Also, in a contested case, opportunity is required to be afforded all parties to participate in a settlement conference or mediation unless both parties or the hearing officer decline. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Petersen
AAR Position:
Monitor

Last Action: 5/16 signed by governor. Chap. 337, Laws 2018.

SB1280: RESIDENTIAL HOUSING ASSISTANCE; FUNDING SOURCES

For any seller of real property with a last known address outside Arizona and any seller of real property that is a foreign corporation that does not qualify by law to transact business in Arizona, the deed evidencing the transfer of title is required to have a separate affidavit stating the seller's address and federal tax identification number, as well as other specified information. These individuals and corporations are required to file an income tax return with the Department of Revenue if the only income subject to tax by Arizona for the taxable year is derived from the sale of real property in Arizona. The Dept is required to separately account for monies paid with these returns, and deposit 70 percent of the monies in the Housing Trust Fund and 30 percent in the Arizona Finance Authority Operations Fund. Effective January 1, 2019.

First sponsor: Sen. Farley
AAR Position:
Oppose

Last Action: 1/23 referred to Senate Appropriations Committee, Finance Committee.

SB1281: STREET LIGHTING IMPROVEMENT DISTRICTS; CONSOLIDATION

Municipalities are authorized to consolidate two or more existing street lighting improvement districts upon receipt of a petition signed by the majority of the real property owners in each of the districts that are proposed to be consolidated. The districts must be contiguous and new territory may not be included. Establishes a process for consolidation, including public notice and a public hearing. The consolidation must take effect on July 1 immediately following the timely filing of notice of the consolidation with the Department of Revenue. To be eligible to levy a tax within a consolidated district, the municipality is required to notify the Dept, the county assessor and the county treasurer of the district consolidation no later than June 1 immediately preceding the effective date of the consolidation. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Kavanagh
AAR Position:
Monitor

Last Action: 4/11 signed by governor. Chap. 187, Laws 2018.

SB1293: DEPARTMENT OF REVENUE; ADMIN EFFICIENCY

Except for individual income tax, the Department of Revenue is authorized to issue notice of its determination of a deficiency with a return or payment of tax required by using an "electronic portal" (defined) in lieu of mail, if specified requirements are met, for tax periods beginning January 1, 2019 or when the Dept establishes the electronic portal. The Dept is authorized to send various required notices by email. The list of organizations that are exempt from state income taxes is deleted and replaced with a statement that organizations that are exempt from federal income tax under section 501 of the Internal Revenue Code are exempt from state income taxes. Statutes regulating the denial of exempt status are repealed. Some of the information that exempt organizations are required to file annually with the Dept is deleted. Increases the penalty for failure to make and file a return for transaction privilege and use taxes, including local excise taxes, to five percent of the tax required, instead of 4.5 percent, or \$25, whichever is greater. The Department of Revenue is authorized to destroy anything submitted with a return that is not required, authorized or requested by the Department unless it is of more than de minimis value. Facsimiles of original documents where the Dept reasonably expects the taxpayer has retained any originals are presumed to be of de minimis value. If a document is determined to be of more than de minimis value, the Dept is required to notify the taxpayer of its intent to destroy the

document and to return the document at the taxpayer's request. The Dept is authorized to require the taxpayer to pay the shipping costs to return the document. If the taxpayer does not request the return of the documents or consents to their destruction, the Dept is permitted to destroy the documents. The Dept is authorized to waive the requirement for a taxpayer to file certain returns electronically if the taxpayer has a sustained record of timely payments and no delinquent tax account. Withholding returns are required to be filed electronically for tax years beginning with 2020, or when the Dept establishes an electronic filing program, whichever is later. Eliminates the subtractions from Arizona adjusted gross income for income tax purposes for property expense deductions in excess of \$25,000 taken prior to 2013, and for contributions to a long-term health care saving account that are included in federal adjusted gross income. Contains a legislative intent section. Effective January 1, 2019. AS SIGNED BY GOVERNOR.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 5/16 signed by governor. Chap. 338, Laws 2018.

SB1294: TAX CORRECTIONS ACT OF 2018

Corrections to the tax code as recommended by the Department of Revenue and Legislative Council. Changes are for clarification or to blend conflicting statutes and are not intended to be substantive. 116 pages. An annual exercise. AS SIGNED BY GOVERNOR.

First sponsor: Sen. D. Farnsworth

AAR Position:

Monitor

Last Action: 3/29 signed by governor. Chap. 104, Laws 2018.

SB1376: LANDLORD TENANT ACT; PERSONAL PROPERTY

After a landlord retakes possession of a dwelling unit, if the tenant's personal property remains in the unit, the landlord is required to hold the tenant's personal property for 14 calendar days, instead of 10 days or 21 days if the tenant was evicted. The landlord is not required to store the tenant's perishable items, plants and animals, and is permitted to remove and dispose of any personal property in the unit that is contaminated or poses a health and safety risk, at the landlord's discretion. The tenant's abandoned animals may be immediately removed and released to a shelter or boarding facility, or the landlord is required to notify animal control. If after 14 days the tenant makes no reasonable effort to recover the personal property, the landlord is permitted to donate the personal property to a qualifying charitable organization (in addition to the current authorization to sell the personal property). A landlord that complies with statutory requirements for disposition of personal property is not liable for any loss to the tenant or any

third party that results from moving, storing or donating any personal property left in the dwelling unit. If the tenant returns to the landlord the keys to the dwelling unit and there is personal property remaining in the unit, the landlord is permitted to immediately remove and dispose of the personal property without liability to the tenant or a third party unless the landlord and tenant have agreed in writing to some other treatment of the property. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Griffin
AAR Position:
Support

Last Action: 4/3 signed by governor. Chap. 127, Laws 2018.

SB1379: FLOOD PROTECTION DISTRICTS; DIVISIONS; ELECTORS

A flood protection district is required to be governed by a board of directors elected at large consisting of either three or five directors. Any person who is eligible to vote in a district election is eligible to serve as a director of the district. To be eligible to vote in a district election, a person must be an owner of real property located in the district on which all taxes have been paid. Additional requirements for electors in circumstances where property is owned by an estate, trust, partnership, limited liability corporation, or corporation are established. Emergency clause. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Pratt
AAR Position:
Monitor

Last Action: 4/12 signed by governor. Chap. 217, Laws 2018.

SB1382: TPT; ONLINE LODGING MARKETPLACE; REGISTRATION

Beginning January 1, 2019, online lodging marketplaces are required, instead of allowed at their election, to register with the Department of Revenue for a license for the payment of taxes levied by the state and one or more counties, municipalities or special taxing districts, for taxes due from an online lodging operator on any online lodging transaction facilitated by the marketplace. The tax base for the online lodging marketplace classification does not include the gross proceeds of sales or gross income derived from charges to an occupant who is a transient for the occupancy of any lodging accommodation in Arizona that is classified as class 1 property for property tax purposes. Also, conditionally enacted on HB2456 becoming law, public monies received by a county stadium district may be used for debt service for bonds issued before January 1, 2009, instead of before January 1, 2025, and for contractual obligations incurred by the district before June 1, 2009, instead of before June 1, 2025. [Capitol Reports Note: The 2009

dates are existing law and the 2025 dates are revisions contained in HB2456 as signed by the Governor.] AS SIGNED BY GOVERNOR.

First sponsor: Sen. Kavanagh
AAR Position:
Monitor

Last Action: 4/11 signed by governor. Chap. 189, Laws 2018.

SB1385: TAX APPEALS; ADMINISTRATIVE HEARINGS; CONFIDENTIALITY

At any time during which a tax appeal to the Department of Revenue is pending, a person that has conferred with a designated appeals officer of the Dept to clarify any fact or legal issue in dispute and discuss the availability of additional documentation that may assist in resolving outstanding issues is permitted to bypass the hearing process before the Office of Administrative Hearings and either appeal to the State Board of Tax Appeals or bring an action in Tax Court. Does not apply in the case of individual income taxes. If the Dept fails to schedule a meeting within 45 days of the time a person files a written request to confer with a designated appeals officer, the person may bypass the meeting and appeal directly. Applies retroactively to all tax disputes filed, pending on or arising January 1, 2017 or after. Additionally, retroactive to May 23, 2015, statute regulating disclosure of confidential taxpayer information is modified to allow limited liability company (LLC) information to be disclosed to LLC members or managers, government entity information to be disclosed to the head of the entity or a member of the governing board of the entity, and any taxpayer information to be disclosed during a meeting or telephone call if the taxpayer is present and authorizes the disclosure. AS SIGNED BY GOVERNOR.

First sponsor: Sen. D. Farnsworth
AAR Position:
Monitor

Last Action: 4/12 signed by governor. Chap. 218, Laws 2018.

**SB1387: HOME-BASED BUSINESSES; LOCAL REGULATIONS (~~REAL PROPERTY;~~
~~CONVEYANCE; DISCLOSURE~~)**

The use of a residential dwelling for a home-based business is a permitted use, except that this permission does not supersede any deed restriction, covenant or agreement restricting the use of land, or any master deed, bylaw or other document applicable to a common interest ownership community. A county or municipality cannot prohibit the operation of a no-impact "home-based business" (defined) or otherwise require a person to apply for or obtain any permit, license or other prior Approval to operate a no-impact home-based business. Establishes a list of factors that qualify a residential property for use as a no-impact home-based business. Counties and

municipalities are permitted to establish reasonable regulations on a home-based business if the regulations are tailored for specified purposes, including protecting public health and safety. AS PASSED HOUSE.

First sponsor: Sen. Griffin

AAR Position:

Monitor

4/16 House COW approved with amendment #4954 and floor amendment #5104. NOTE SHORT TITLE CHANGE. Passed House 32-25; ready for Senate action on House amendments.

SB1404: OCCUPATIONAL REGULATION; MUNICIPALITIES; COUNTIES

Counties and municipalities are prohibited from imposing any "occupational fee" or "licensing requirement" (both defined) on any occupation, trade or profession if that county or municipality does not already impose it on the effective date of this legislation. If the state imposes a new occupational fee or licensing requirement on any occupation, trade or profession that has not been previously regulated by the state but that has been regulated by the county or municipality, the county or municipality is prohibited from continuing to impose any occupational fee or licensing requirement on that occupation, trade or profession on or after the effective date of the statute or rule. Beginning on the effective date of this legislation, a county or municipality is prohibited from increasing the amount of any occupational fee on any occupation, trade or profession that is currently subject to the occupational fee.

First sponsor: Sen. Smith

AAR Position:

Monitor

Last Action: 3/5 FAILED to pass Senate 12-17.

SB1433: BUILDING CODE; INSPECTIONS; RENTAL PROPERTIES

Anytime a municipality inspects a residential rental dwelling unit for compliance with a building code under any authority prescribed by law, the municipality is required to inspect the residential rental dwelling unit for compliance with the construction codes that were in force at time of building construction.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 1/30 referred to Senate Government Committee.

SB1434: PROPERTY TAX APPRAISAL METHODS; VIEWSHEDS

When the Department of Revenue applies standard appraisal methods and techniques, the value of a "viewshed" (defined) is presumed to be included in the purchase price of real property and cannot be considered as adding a separate value increment to the full case value derived from the purchase price.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 2/14 Senate Finance Committee held.

SB1436: PROHIBITION; CRIMINAL HISTORY; OCCUPATIONAL REGULATION

A person with a criminal record is authorized to petition a state agency at any time, including before obtaining any required education or experience or paying a fee, for a determination of whether the person's criminal record disqualifies the person from obtaining a license, permit, certificate or other state recognition. Information that must be included in the petition is specified. The state agency may determine that the person's criminal record disqualifies the person from obtaining a license, permit, certificate or other state recognition only if the person was convicted of a felony offense, a violent crime, a sexual offense, or other specified offenses that have not been set aside or expunged, and the state agency concludes that the state has an important interest in protecting public safety that is superior to the person's right. The agency is required to issue a written determination on the petition within 90 days after receipt. By July 1 of each year, each state agency or board is required to submit an annual report to the Governor and the Legislature containing specified information about these petitions. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Burges
AAR Position:
Monitor

Last Action: 4/11 signed by governor. Chap. 193, Laws 2018.

SB1448: REDEVELOPMENT AREAS; NAME DESIGNATION

For the purpose of slum clearance and redevelopment regulations, a "blighted area" is also called a "reinvestment area" and a "slum area" is also called a "transformation area." The terms transformation and reinvestment are added to references to slum and blighted areas throughout statute.

First sponsor: Sen. Griffin

AAR Position:
Monitor

Last Action: 1/30 referred to Senate Government Committee, Finance Committee.

**SB1463: PSYCHOLOGISTS; LICENSURE REQUIREMENTS (STATUTE;
LIMITATIONS; APPRAISERS; APPRAISAL SERVICES)**

An applicant for licensure by the Board of Psychologist Examiners is deemed to meet a list of specified licensure requirements if the applicant earned a doctoral degree from a program that was accredited by the Psychological Clinical Science Accreditation System at the time of graduation. AS PASSED HOUSE.

First sponsor: Sen. Brophy McGee
AAR Position:
Monitor

Last Action: 4/9 House COW approved with amendment #4956. NOTE SHORT TITLE CHANGE. Passed House 55-0; ready for Senate action on House amendments.

**SB1465: SOBER LIVING HOMES; LICENSURE (SOBER LIVING HOMES;
CERTIFICATION)**

The Department of Health Services is required to adopt rules to establish minimum standards and requirements for the licensure of “sober living homes” (defined) in Arizona, and is permitted to use the current standards adopted by any national organization approved by the Dept as guidelines in prescribing the standards and requirements. Provisions that must be included in the standards are listed. Once the Dept adopts the standards, a person is prohibited from establishing or maintaining a sober living home unless the person is licensed by the Dept, and a person operating a sober living home without a license is subject to a civil penalty of up to \$1,000 for each violation. The Dept is required to establish fees for licensure, and to deposit 90 percent of sober living home licensure fees in the Health Services Licensing Fund and 10 percent of the fees in the general fund. The Dept is authorized to enter the premises of a licensed sober living home if there is reasonable cause for an inspection, and to impose civil penalties of up to \$500 for violations. A sober living home that is certified by a national certifying organization is authorized to operate in Arizona using the certification in lieu of licensure until two years after the Dept has notified the certifying agency that licensure under this legislation has been implemented. Repeals, 90 days after the date that the Dept finalizes rules for sober living home licensure, statutes authorizing counties and municipalities to adopt standards for structured sober living homes that comply with state and federal fair housing laws and the Americans with Disabilities Act. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Brophy McGee

AAR Position:
Monitor

Last Action: 4/11 signed by governor. Chap. 194, Laws 2018.

SB1468: CONSTRUCTION DEFECT; OFFER; TIME LIMITS

Renames a "notice of intent" to repair or replace alleged construction defects an "offer" to repair or replace. Within 30 days after a seller's offer to repair or replace any construction defects, the purchaser is required to accept or reject the offer in whole or in part. In a contested dwelling action, the court is required to award the successful party reasonable attorney fees, reasonable expert witness fees, and taxable costs. Statute regulating purchaser dwelling actions does not apply to claims for alleged defects if the seller previously refused, in writing, to repair the alleged defect or already performed a repair on the alleged defect that failed, or if the contract for the sale of the dwelling or an association's community documents contains commercially reasonable alternative dispute resolution procedures.

First sponsor: Sen. Borrelli
AAR Position:
Monitor

Last Action: 1/30 referred to Senate Government Committee, Commerce and Public Safety Committee.

SB1469: ATTORNEY FEES; WARRANTY; WORKMANSHIP; HABITABILITY

An action based on an implied warranty of workmanship and habitability arising out of the construction of improvements on real property is exempt from the prohibition on statute that governs the recovery of attorney fees in any contested action arising out of a contract being construed as altering, prohibiting or restricting present or future contracts or statutes that may provide for attorney fees.

First sponsor: Sen. Borrelli
AAR Position:
Monitor

Last Action: 1/30 referred to Senate Government Committee, Judiciary Committee.

SB1480: AFFORDABLE HOUSING; TAX ASSESSMENT

The initial appraised value of "community land trust property" (defined) in the year the property first qualifies for classification as "affordable housing" (defined) is the initial investment basis for property tax purposes. In subsequent valuations by the county assessor, the value of the

community land trust property cannot exceed the sum of the market value of the property and the initial investment basis.

First sponsor: Sen. Mendez

AAR Position:

Monitor

Last Action: 2/14 Senate Finance Committee held.

SB1487: ENVIRONMENTAL QUALITY; WATER; APPROPRIATIONS COMMITTEEPRIATION

Appropriates \$240,000 from the general fund in FY2018-19 to the Department of Environmental Quality for distribution to the Navajo Tribal Utilities Authority for the cost of connecting, filtering and delivering water to the former Arizona Windsong Water Company System and customers.

First sponsor: Sen. Peshlakai

AAR Position:

Monitor

Last Action: 1/31 referred to Senate Natural Resources and Energy Committee, Appropriations Committee.

SB1495: CONDO; PLANNED COMMUNITIES; MEETINGS

The annual meeting of a condominium association or planned community association (HOA) is required to include the election of HOA board members and any other business of the HOA and must provide the members or unit owners an opportunity to address the HOA board. The HOA board is required to provide to the members at the annual meeting a financial summary report. An HOA in violation of meeting requirements is liable in a civil action for damages of \$500 for each violation. Also, during the period of declarant control, the HOA declaration cannot be amended to change the duration of or conditions for declarant control unless the amendment is approved by an affirmative vote of or written consent of at least 66 percent of the non-declarant owners.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 2/14 Senate Government Committee held.

SB1499: COMMUNITY FACILITIES DISTRICTS; DIRECTORS

Various changes relating to members of the board of directors of community facilities districts. A resolution ordering the formation of a district must state whether the district will be governed by a district board consisting of members of the governing body, ex officio, with two additional members who are initially designated by the owner who owns the largest amount of privately owned acreage in the district and who are appointed by the governing body, or, at the option of the governing body, five directors appointed by the governing body. If the resolution provides for two additional members designated by the owner who owns the largest amount of privately owned acreage in the district, each of the additional appointed directors serves for a term of 6 years, and a process for the board to appoint a person to fill a vacancy or on the expiration of a term of office is established. Emergency clause. AS SIGNED BY GOVERNOR.

First sponsor: Sen. Smith
AAR Position:
Monitor

Last Action: 3/29 signed by governor. Chap. 108, Laws 2018.

SB1507: WATER PROGRAM AMENDMENTS

Various changes to statutes relating to water. The Department of Water Resources (DWR) is required to prepare a desalination action plan that includes specified provisions and submit the initial plan to the Governor and the Legislature by September 30, 2019. Requires legislative Approval, in addition to DWR Approval, for a person to transport water out of Arizona. Requires DWR to adopt rules to calculate extinguishment credits in the Pinal Active Management Area (AMA) by January 1, 2019. Declares that the use of groundwater to water plants in containers on or above the surface of the ground is a non-irrigation use and establishes requirements for the use of groundwater for this purpose. The Director of DWR is required to adopt a management plan for each initial AMA no later than January 1, 2023 for the sixth management period, 2025 to 2035. DWR is required to include in the management plans a non-per capita conservation program for municipal providers that requires a municipal provider regulated under the program to implement one or more water conservation measures in its service area. Responsibility for oversight of natural resource conservation districts is transferred to the Department of Forestry and Fire Management, from the State Land Department, and session law provides for the transfer and succession of all matters, property and records. Much more. Several sections of statute amended by this legislation are effective from and after an unspecified date (blank in original).

First sponsor: Sen. Griffin
AAR Positions:
Monitor

Last Action: 3/5 FAILED to pass Senate 15-15.

SB1508: WATER; DESALINATION ACTION PLAN

The Department of Water Resources (DWR) is required to prepare a desalination action plan that includes specified provisions and submit the initial plan to the Governor and the Legislature by September 30, 2019. AS PASSED SENATE.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/20 from House rules okay.

SB1509: WATER; INTERSTATE SALES

Requires legislative Approval, in addition to Department of Water Resources Approval, for a person to transport water out of Arizona. After the Dept approves an application, the Legislature is required to consider the proposed action and may approve it by legislative enactment, approved by the Governor.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/6 Senate voted to reconsider 3/5 failure to pass bill. Date of second vote to be set by president.

SB1510: IRRIGATION GRANDFATHERED RIGHT; CONTAINERIZED PLANTS

Would have declared that the use of groundwater to water plants in containers on or above the surface of the ground is a non-irrigation use in an Active Management Area (AMA). In an initial AMA, a person who holds a certificate of irrigation grandfathered right would have been permitted to withdraw groundwater and use it to water plants in containers on or above the surface of the "certificated acres" (defined) if the plants were grown for sale or human consumption or for use as feed for livestock, range livestock or poultry. Would have established requirements for the use of groundwater under these conditions. AS VETOED BY GOVERNOR. In his veto message, the Governor stated that this bill alone does nothing to address the challenges of water management that are needed in Arizona, and that he prefers a package of water management policies.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/29 VETOED.

SB1511: PINAL AMA; GROUNDWATER; EXTINGUISHMENT CREDITS

Requires the Department of Water Resources to calculate extinguishment credits in the Pinal Active Management Area (AMA) until December 31, 2021 according to a specified formula. Requires the Dept to adopt rules to calculate extinguishment credits in the Pinal Active Management Area (AMA) consistent with this legislation by January 1, 2019. Requires the Dept to recalculate the amount of groundwater available for use in the Pinal AMA for purposes of determining an assured water supply. AS PASSED SENATE.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/20 from House rules okay.

SB1512: ACTIVE MANAGEMENT AREAS; SIXTH MANAGEMENT PERIOD

The Director of the Department of Water Resources is required to adopt a management plan for each initial Active Management Area (AMA) no later than January 1, 2023 for the sixth management period, 2025 to 2035. DWR is required to include in the management plans a non-per capita conservation program for municipal providers that requires a municipal provider regulated under the program to implement one or more water conservation measures in its service area. DWR is also required to include in the management plan the historic cropping program as an alternative agricultural conservation program. The Director of DWR is required to evaluate the conservation requirements and irrigation water duties required to be established in the management plans for the fifth and sixth management periods to determine whether any changes are appropriate to achieve reasonable conservation in the AMAs. AS PASSED SENATE.

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 3/21 from House Energy and Environment Committee do pass.

SB1513: EFFLUENT; RECYCLED WATER; DEFINITION

For the purpose of Department of Water Resources informational materials only, the term "recycled water" may be used instead of the term "effluent."

First sponsor: Sen. Griffin

AAR Position:

Monitor

Last Action: 4/23 from House rules okay.

SB1514: NATURAL RESOURCE CONSERVATION DISTRICTS; ADMINISTRATION

Responsibility for oversight of natural resource conservation districts is transferred to the Department of Forestry and Fire Management, from the State Land Department, and the State Forester, instead of the State Land Commissioner, is the state natural resource conservation commissioner. Session law provides for the transfer and succession of all matters, property and records. Effective January 1, 2020. AS PASSED SENATE.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 3/26 from House rules okay. To House consent calendar.

SB1515: ADEQUATE WATER SUPPLY; COUNTY REVIEW

For a county that is not in an Active Management Area, the county board of supervisors is required to review the provision for adequate water supply for a subdivision and after review may by unanimous vote at a public meeting not to readopt the provision. The review is required to occur not more than 5 years after the effective date of this legislation and every 5 to 10 years thereafter. The board is required to give written notice of any vote not to readopt the provision to the Director of the Department of Water Resources, the Director of the Department of Environmental Quality and the State Real Estate Commissioner. The vote not to readopt the provision is effective and the provision has no further force if a list of specified conditions apply at the time of the vote. AS PASSED SENATE.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 3/21 from House Energy and Environment Committee do pass.

SB1516: CENTRAL ARIZONA PROJECT; SOVEREIGN IMMUNITY

A multi-county water conservation district is prohibited from asserting the defense of immunity under the 11th amendment of the U.S. Constitution in litigation brought by a water user to enforce the terms of a Central Arizona Project water delivery contract or subcontract.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 2/19 from Senate Natural Resources and Energy Committee with amendment #4335.

SB1537: REAL ESTATE LICENSES; ONLINE CLASSES

Applicants for a real estate salesperson's license or real estate broker's license are permitted to complete the applicable required training course through an "online course" (defined) if offered by a certified real estate school, but are required to complete an examination on the course in person. At least 90 days before holding an online course for real estate licensure, the course provider is required to file an application for a certificate of online course Approval with the Department of Real Estate. Online courses are required to be divided into 50-minute instructional segments. The Dept is required to issue online course Approval within 90 days, after which a course is automatically approved on a provisional basis unless the Dept otherwise notifies the applicant of specific deficiencies or unfulfilled requirements. Online course Approval is for a period of at least four years if the contents remain current and substantially unchanged. The Dept is authorized to establish by rule additional appropriate requirements for Approval of an online course. Effective January 1, 2019.

First sponsor: Sen. Yarbrough
AAR Position:
Monitor

Last Action: 5/3 Senate COW approved. See HB2655.

SCM1012: NOGALES WASTEWATER FAIRNESS ACT

The Legislature urges the U.S. Congress to address the border sanitation problems that have resulted from the inadequate maintenance of the Naco, Sonora wastewater treatment facility, and to enact the Nogales Wastewater Fairness Act as a necessary first step in reaching a comprehensive solution to ongoing border sewage complications of the Arizona border. The Secretary of State is directed to transmit copies of this memorial to the President of the U.S. Senate, the Speaker of the U.S. House and each member of Congress from Arizona. AS SENT TO SECRETARY OF STATE.

First sponsor: Sen. Dalessandro
AAR Position:
Monitor

Last Action: 4/9 Senate concurred in House amendments and passed on final reading 28-0; to secretary of state.

SCM1018: PAYMENTS IN LIEU OF TAXES

The Legislature urges the U.S. Congress to provide full long-term funding for the Payment in Lieu of Taxes (PILT) program to help create financial stability within Arizona's counties, and to work with the State of Arizona and county governments to identify and implement policies to promote economic development on, or associated with, federally managed lands. The Secretary of State is directed to transmit copies of this memorial to the President of the U.S., the President of the U.S. Senate, the Speaker of the U.S. House and each member of Congress from Arizona.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: No Action

**SCR1031: SUPPORT; WATER MANAGEMENT POLICIES (~~WATER MANAGEMENT;~~
~~SOURCES; POLICIES; SUPPORT~~)**

The members of the Legislature continue the tradition of leadership and support for appropriate water management practices and policies that protect property and water rights and that provide for the continued safety and prosperity of the State of Arizona. AS SENT TO SECRETARY OF STATE.

First sponsor: Sen. Griffin
AAR Position:
Monitor

Last Action: 4/2 Senate concurred in House amendments and passed on final reading 30-0; to secretary of state.

SCR1037: RIGHT TO ENGAGE IN OCCUPATION

The 2018 general election ballot is to carry the question of whether to amend the state Constitution to establish that a person has a fundamental right to engage in an occupation or profession. No state law or rule can be enacted or enforced that prohibits or regulates a person from engaging in any occupation or profession unless the state law or rule is clearly necessary to protect the public health or safety.

First sponsor: Sen. Smith
AAR Position:
Monitor

Last Action: 2/13 from Senate Commerce and Public Safety Committee do pass.